

Solvay Sells Pharma Operations To Abbott

BRUSSELS (AP) — Solvay, the Belgian chemicals and drugs maker, announced Monday it would sell its entire pharmaceutical business to Abbott Laboratories for euro4.5 billion (\$6.6 billion) in cash.

The deal's value could jump to euro5.2 billion (\$7.6 billion) if sales targets are met for certain drug products, triggering "potential payments" of up to euro300 million (\$439 million). Abbott would also take on liabilities worth about euro400 million (\$584 million).

The American company already holds U.S. marketing rights for Solvay's Trilipix and TriCor, drugs which raise "good" HDL cholesterol while reducing triglycerides and "bad" LDL cholesterol.

Solvay said in a statement the sale will let it "refocus" its activities, which also cover chemicals and plastics.

It said the sale will be completed in the first quarter of 2010, pending antitrust approval from the EU and U.S.

"We are building a new refocused group with the financial means to further accelerate sustainable growth," Alois Michielsen, Solvay's chairman, said.

Miles D. White, chairman and chief executive of Abbot Laboratories said the deal "expands our presence in key high-growth emerging markets," and boosts R&D investments.

"In anticipation of future market needs, we are ensuring we have the technologies, products, infrastructure and reach to serve patients globally," White said in a statement.

The North Chicago, Illinois-based company makes and markets pharmaceutical and medical products in more than 130 countries and employs more than 72,000 people. In the last year, it has bought contact lens maker Advanced Medical Optics, India-based Wockhart's nutritional business, eye care company Synchrony and Evalve, a maker of heart repair equipment.

Solvay Pharmaceuticals is a group of companies that employs 9,000 people worldwide and had sales of euro2.7 billion in 2008. The Solvay Group as a whole employs more than 29,000 people in 50 countries. Its 2008 consolidated sales were euro9.5 billion.

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